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C.I.A. Airline Linked to Role in Caribbean and Congo

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WASHINGTON, Aug. 31—Southern Air Transport, the charter airline owned by and operated largely for the Central Intelligence Agency, appears to have performed extensive paramilitary missions in the Congo and the Carribean in addition to Indochina, aviation officials said today.

An informant familiar with some of Southern's operations over the last two decades said that the small charter operation had "two parts" after mid-1960. One involved ordinary commercial runs, transporting cattle and chickens around the Caribbean, and the other was committed mainly to military cargo missions, he said.

Another informant close to Southern's operations said "Wherever the action was, we were there." He spoke of operations in the Congo in 1961 during the turmoil resulting from the secession of Katanga Province and of troubles in Venezuela and Bolivia after Fidel Castro's takeover in Cuba. In those days Southern was flying DC-6 transports.

The C.I.A.'s connection with Southern apparently began in August, 1960, when two former Government officials bought controlling interest in the airline for a reported $260,000. They were Edwin Perkin McGuire and Percival Flack Brundage.

Mr. McGuire, 58 years old, was Assistant Secretary for Defense for international security affairs from 1954 to 1956, and Mr. Brundage, 81, was Deputy Director of the Bureau of the Budget at the same time.

Charter airline industry sources say both men acted for the C.I.A. in the 1960 deal.

Transaction Pending

Now the two are named in documents filed with the Civil Aeronautics Board as sellers of a $5.1-million controlling interest of the Miami-based airline to Stanley G. Williams, 52, the company president and director. The transaction is pending before the board which held six days of secret hearings on the deal in June.

An airline man who worked for Southern said the C.I.A. was divesting itself of its control of the charter airline "because Uncle Sam is scaling down involvement in Southeast Asia." He remarked that Air America, another airline owned by the C.I.A. and operated throughout the nineteen-sixties in Laos and elsewhere in Indochina on behalf of the agency, was also sharply reducing its activity.

"Air America is cutting back to the bone," he said.

For a time, he went on, Southern Air Transport's Asian operations were growing rapidly and it maintained bases at Tainan, Taiwan, and at Okoda, Japan. These were closed down last year, he said. Another charter airline that dropped out of the Asian military transport business was said to be Airlift International.

Around Miami International Airport, where Southern has its "Atlantic headquarters," the charter airline's pilots are known for their discretion, their good pay and their long flying hours—up to 16 hours for flight," a charter official said. A Miami-based pilot said, "Everybody knows Southern was doing spook stuff."

It appears that Southern kept its commercial operations strictly separated from its missions on behalf of the C.I.A.

"If someone else is my boss, I'd like to know," a Southern employe said by telephone from Miami. "I don't know who I am working for except Southern Air Transport. At this point, I feel we may have a problem about ownership."

Stanley G. Williams, the president and would-be purchaser of Southern, was reached this afternoon at the office of his Washington lawyer, James H. Bastian.

Mr. Williams, who owns a one-third interest in the airline, said that Southern's activities were "entirely commercial at this stage, and that it was operating three Lockheed Hercules transport planes.

Asked about Southern's past, he said:

"In view of proceedings before the Civil Aeronautics Board, it is not appropriate to comment. It really do not have any other comments for you."

However, Mr. Williams did specify that one of Southern's new commercial projects involved transporting oil exploitation equipment for Texaco to the Subsahara region of Africa, starting this autumn.

Southern is planning to establish rest and recreation facilities for its Africa personnel at Las Palmas in the Canary Islands and to fly out of Mauritania, using DC-6 transport craft again.

The transaction before the C.A.B. has attracted wide and critical interest among competitors in the airline charter field because of suspicions that Southern's C.I.A. connection gave and still gives it unfair advantages in route assignment and Government contra[illegible]. Choice airline scare[illegible]les overseas are up for assignment this autumn before the C.A.B., some of them for a duration of more than five years, according to industry officials. This has made the Southern case even more controversial, they said.

A spokesman for Overseas National Airlines, one of the competitors, said today that his concern was opposing the Southern transaction "because it is owned by the C.I.A. and has been unfair competition."

"We all want the trans-Pacific route," he said, referring to a route certificate awarded Southern in 1966 by the C.A.B.